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SAPC 18296

Copy 1 of 3

15 August 1957

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Definitive Contract No. NY-A-501 with
[redacted] Corp. Project [redacted]

1. This memorandum contains a recommendation submitted for approval of the Project Director. Such recommendation is contained in paragraph 8.

2. Definitive Contract No. NY-A-501 provides for procurement of sixteen (16) System Threes, together with test sets, instruction books, spares, engineering services and field service on behalf of and for the benefit of the Department of Navy pursuant to an exchange of correspondence between the Director of Central Intelligence and the Chief of Naval Operations under dates of 28 May 1957 and 4 June 1957.

3. The letter contract obligated an amount of [redacted] for the equipment and services desired by the Department of the Navy. This amount was obligated during Fiscal Year 1957 against "No Year Funds" transferred to the Agency from the Department of the Navy.

4. The Contractor has been advised that the Navy had limited funds and to produce the maximum number of systems within a total of [redacted]. The Contractor estimated 18 systems could be produced but later qualified its acceptance of the letter contract indicating that only 16 could be produced for a total of [redacted]. This definitized contract covers 16 systems.

5. The definitive contract amount is [redacted] or an additional [redacted] which should be obligated during Fiscal Year 1958 against "No Year" funds transferred to Project AQUATONE by the Navy. Availability of these funds for obligation is signified by concurrence hereon by the Project Comptroller.

6. The contract consideration does not include an amount for transportation costs for shipment of the equipment. A separate memorandum will be prepared which will cover the estimated transportation charges and serve as a basis for obligation of Navy money for this cost.

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7. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956, which in effect results in all 10(b) expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 10(b) of Public Law 110, 81st Congress, for each contract.

8. Approval of Definitive Contract No. NY-A-501 and execution thereof on behalf of the Agency by the authorized Project Contracting Officer is recommended.

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[Redacted Signature]

Contracting Officer

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CONCURRENCES:

[Redacted Signature]

8/16/57

Director of D and P

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[Redacted Signature]

8/16/57

Comptroller

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[Redacted Signature]

General Counsel

Approval recommended in Paragraph 8, granted.

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[Redacted Signature] 9/8/57

RICHARD M. BISSELL, JR
SA/PC/DCI - Project Director

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